Lease Operator: Shelby Resources, LLC
Address: 5893 Saddle Creek Trail, Parker, CO 80134
Phone: (303) 840-2183  Operator License #: 31725
Type of Well: Oil & A
(Docket #: (If SWD or ENHR)
The plugging proposal was approved on: 03-20-05 (Date)
by: Mike Maier (KCC District Agent's Name)
Is ACO-1 filed? □ Yes □ No If not, is well log attached? □ Yes □ No
Producing Formation(s): List All (If needed attach another sheet)
<table>
<thead>
<tr>
<th>Depth to Top:</th>
<th>Bottom:</th>
<th>T.D.</th>
</tr>
</thead>
</table>

Show depth and thickness of all water, oil and gas formations.

<table>
<thead>
<tr>
<th>Oil, Gas or Water Records</th>
<th>Casing Record (Surface Conductor &amp; Production)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formation</td>
<td>Content</td>
</tr>
<tr>
<td>*see attached drilling</td>
<td>0'</td>
</tr>
</tbody>
</table>

Describe in detail the manner in which the well is plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same depth placed from (bottom), to (top) for each plug set.

Plugged hole with 205 sacks of 60/40 Poz, 6% gel.
1st plug @ 3580' with 80 sacks 2nd plug @ 640' with 50 sacks 3rd plug @ 320' with 40 sacks
4th plug @ 40' with 10 sacks to surface. Plug rat hole with 15 sacks and mouse hole with 10 sacks.

Plug down @ 7:30 pm on 03-20-05 by Allied Cementing (tkt #14404).

Name of Plugging Contractor: Allied Cementing Southwind Drilling Inc License #: 33350
Address: PO Box 31, Russell, KS 67865

Name of Party Responsible for Plugging Fees: Jim Waechter
State of: Kansas County: Barton, ss.

Chris Batchman, VP/GM of Southwind Drilling, Inc. (Employee of Operator) or (Operator) on above-described well, being first duly sworn on oath, says: That I have knowledge of the facts stated, and matters herein contained, and the log of the above-described well is as filed, and the same are true and correct, so help me God.

Notary Public
Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202
LEASE:  **ROSE #1**

**SOUTHWIND DRILLING, INC.**
**PLUGGING ORDERS AND REPORTS**

Plugging received from KCC representative:
**Name:** MIKE MAIER  **Date:** 3-20-05  **Time:** 9:30 A.M.

1st plug @ 3580 ft.  80 sx.  Stands: ALL
2nd plug @ 640 ft.  50 sx.  Stands: 10'/2
3rd plug @ 320 ft.  40 sx.  Stands: 5'/2
4th plug @ 40 ft.  10 sx.  Stands:
5th plug @ _______ ft. _______ sx.  Stands:

Mousehole 10 sx.
Rahole 15 sx.

**Total Cement used:** 205 sx.

**Type of cement:** 60/40 POZ. 6% Gel

**Plug down @ 7:30 P.M. 3-20-05 by ALLIED- T.NO.-14404**

Call KCC When Completed:
**Name:** MIKE MAIER  **Date:** 3-21-05  **Time:** 8:20

RECEIVED
MAR 22 2005
KCC WICHITA
# Allied Cementing Co., Inc.

**REMIT TO:** P.O. BOX 31  
**RUSSELL, KANSAS 67665**

**SERVICE POINT:**

<table>
<thead>
<tr>
<th>DATE</th>
<th>SEC</th>
<th>TWP</th>
<th>RANGE</th>
<th>CALLED OUT</th>
<th>ON LOCATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>3-20</td>
<td>05</td>
<td>35</td>
<td>12</td>
<td>1:00 PM</td>
<td>4:15 PM</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LEASE</th>
<th>WELL #</th>
<th>LOCATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rose</td>
<td>1</td>
<td>Ty 10, 111, 30, 1/S</td>
</tr>
</tbody>
</table>

**OLE OR NEW (Circle one):**

- NEW

**CONTRACTOR:** Southward #2

**TYPE OF JOB:**

- **HOLE SIZE:** 7 3/4”  
  - T.D.: 3700
- **CASING SIZE**
- **TUBING SIZE**
- **DRILL PIPE:** 4 1/2”  
  - DEPTH: 3580
- **TOOL**
- **PRES. MAX**
- **MINIMUM**
- **MEAS. LINE**
- **SHOE JOINT**
- **CEMENT LEFT IN CSG.**
- **PERFS.**
- **DISPLACEMENT**

**EQUIPMENT**

- **PUMP TRUCK #181**
  - CEMENTER: Trane
  - DRIVER: Don LaMott
- **BULK TRUCK #342**
  - DRIVER: Rich H

**CEMENT**

- **AMOUNT ORDERED:** 285  
  - 60%  
  - 40%  
  - 20%

**COMMON**

**POZMIX**

**GEL**

**CHLORIDE**

**REMARKS:**

- **Mixed:** 80 lb e 3580’
  - 50 lb e 640’
  - 40 lb e 320’
  - 10 lb e 40’
  - 15 lb in R.H.
  - 10 lb in M.H.

**SERVICE**

- **DEPTH OF JOB:** 3580’

- **RECEIVED:** May 22, 2005

- **KEC WICHITA**

**TOTAL**

**CHARGE TO:** Shelby

**STREET**

**CITY**  
**STATE**  
**ZIP**

---

To Allied Cementing Co., Inc.

You are hereby requested to rent cementing equipment...
SOUTHWIND DRILLING, INC.
RIG #2
PO Box 276, Ellinwood, KS 67526
Office Phone 620-564-3800, Fax 620-564-3845

DRILLING REPORT

Location: 100' N & 50' E of C-SW
API#: 15-185-23279-00-00

OWNER: Shelby Resources, LLC
CONTRACTOR: Southwind Drilling, Inc. Rig #2

TOTAL DEPTH:
Driller: 3700'
Log: 3701'

Ground Elevation: 1833'
KB Elevation: 1842'

LOG:
0' - 790' Sand/shale
790' - 1580' Shale
1580' - 3619' Shale/Lime
3619' - 3700' Arbuckle
3700' RTD
3701' LTD

CASING RECORDS

Surface casing – 8 5/8"
Ran 15 joints of 23# new 8 5/8" surface casing. Tally @ 620.47'. Set @ 631'. Cement with 380 sacks of common, 2% gel, 3% calcium chloride. Cement did circulate. Plug down @ 10:45 am on 03-13-05 by Allied Cementing (ckt #20721).

Production casing – 5 ½"
None – plug well

DEVIAION SURVEYS
1 degree (s) @ 633'
Misrun @ 3348'
2 degree (s) @ 3464'
1 ¾ degree (s) @ 3700'

RECEIVED
MAR 22 2005
KCC WICHITA
MORNING DRILLING REPORT

Southwind Drilling, Inc.
PO Box 276
112 North Main
Ellinwood, KS 67526

Wellsite Geologist:
Jeff Zoeller
620-786-0807 (Mobile)
620-633-2464 (Office)
620-653-7397 (Home)

Rig #2 Phone Numbers

<table>
<thead>
<tr>
<th>Phone Number</th>
<th>Phone Type</th>
<th>IN USE</th>
</tr>
</thead>
<tbody>
<tr>
<td>620-617-5921</td>
<td>Rig Cellular (Dog house)</td>
<td>Yes</td>
</tr>
<tr>
<td>620-617-5920</td>
<td>Geologist Trailer Cellular</td>
<td>Yes</td>
</tr>
<tr>
<td>620-794-2076</td>
<td>Tool Pusher Cellular</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Darryl Krier

E-mail to: bkarlin@media.net.net, Caddiswe@aol.com, shelbyjim@aol.com, jzoller@cox.net, jrj@earthlink.net, rockhawk@jayhawk.net, rockhawk@sbcglobal.net

WELL NAME: Rose #1

LOCATION
100’ N & 50’ E of C-SW
Sec. 35-21S-12W
Stafford County, Kansas

Shelby Resources, LLC
5893 Saddle Creek Trail
Parker, CO 80134
Office: 303-840-2183
Jim Waechter Mobile: 785-623-1525
Brian Karlin Mobile: 785-623-3290
Kris Kennedy: 316-686-8664 or Mobile: 316-644-2939

ELEVATION
G.L. 1833’
K.B. 1842’
API#15-009-24814-00-00

Driving Directions: From Ike & Joes, 1 mile North, 1 mile West, ½ mile North, East into.

Day 1
Date 03-12-05
Saturday
Suvey @ 633’ = 1 degree

Moved Rig #2 on location
Spud @ 6:00 pm
Ran 10.75 hours drilling (.75 drill rat hole, 10.00 drill 12 ¼”). Down 13.25 hours (10.25 rig up, 2.25 connection, .25 rig check, .25 clean screen, .25 jet).
Mud properties: freshwater
Hours on 12 ¼” bit: 10.00
Fuel usage: 207 gals. (85”(25” + 66” delivered = 91”) used 6”

Day 2
Date 03-13-05
Sunday

7:00 am – CTCH @ 633’
Ran 9.00 hours drilling. Down 15.00 hours (.25 CTCH, .75 trip, 2.75 run casing/cement, 8.00 wait on cement, 1.75 connection, 1.00 drill plug, .25 rig check, .25 jet)
Mud properties: freshwater
Daily Mud Cost = $503.33. Mud Cost to Date = $503.33
Wt. on bit: 30,000, 80 RPM, 700# pump pressure
Hours on 12 ⅛” bit: 10.00
Hours on 7 7/8” bit: 9.00
Fuel usage: 293.25 gals. (76 ½” used 8 ½”)

Ran 15 joints of 23# new 8 5/8” surface casing. Tally @ 620.47’. Set @ 631’. Cement with 380 sacks of common, 2% gel, 3% calcium chloride. Cement did circulate. Plug down @ 10:45 am on 03-13-05 by Allied Cementing (tkt #20721).

Day 3
Date 03-14-05
Monday

7:00 am – Drilling @ 1270’
Ran 17.00 hours drilling. Down 7.00 hours (.75 rig check, 2.50 rig repair, 2.75 connection, 1.00 jet)
Mud properties: freshwater
Daily Mud Cost = $0.00. Mud Cost to Date = $503.33
Wt. on bit: 30,000, 80 RPM, 700# pump pressure
Hours on 12 ¾” bit: 10.00
Hours on 7 7/8” bit: 26.00
Fuel usage: 293.25 gals. (68” used 8 ½”)
MOONING DRILLING REPORT

Southwind Drilling, Inc.
PO Box 276
112 North Main
Ellinwood, KS 67526

Wellsite Geologist:
Jeff Zoeller
620-786-0807 (Mobile)
620-653-2464 (Office)
620-653-7397 (Home)

Rig #2 Phone Numbers

<table>
<thead>
<tr>
<th>Rig #2 Phone Numbers</th>
<th>IN USE</th>
</tr>
</thead>
<tbody>
<tr>
<td>620-617-5921 Rig Cellular (Dog house)</td>
<td>Yes</td>
</tr>
<tr>
<td>620-617-5920 Geologist Trailer Cellular</td>
<td>Yes</td>
</tr>
<tr>
<td>620-794-2076 Tool Pusher Cellular</td>
<td>Yes</td>
</tr>
</tbody>
</table>

E-mail to: bkarrin@media.net.net, Caddisres@aol.com, shelbyjim@aol.com, jzoeller@cox.net,izr@earthlink.net, rockhawk@jayhawk.net, rockhawk@sbcglobal.net

WELL NAME Rose #1

LOCATION 100 E & 50 S of C-SW
Sec. 35-215-12W
Stafford County, Kansas

Shelby Resources, LLC
5893 Saddle Creek Trail
Parker, CO 80134
Office: 303-840-2183
Jim Waechter Mobile: 785-623-1525
Brian Karlin Mobile: 785-623-3290
Kris Kennedy; 316-686-8664 or Mobile: 316-644-2939

ELEVATION G.L. 1833’
K.B. 1842’
API#15-009-24814-00-00

Driving Directions: From Ike & Joes, 1 mile North, 1 mile West, ¼ mile North, East into.

Day  | 4  |
Date  | 03-15-05 |
Tuesday  

7:00 am – Drilling @ 2033’
Ran 16.00 hours drilling. Down 8.00 hours (1.50 CFS @ 2230’, .50 rig check, 1.75 connection, 3.50 rig repairs, .75 jet)
Mud properties: freshwater
Daily Mud Cost = $2,612.41. Mud Cost to Date = $3,115.74
Wt. on bit: 30,000, 80 RPM, 750# pump pressure
Hours on 12 ¼” bit: 10.00
Hours on 7 7/8” bit: 42.00

Fuel usage: 310.50 gals. (59” used 9”)

Note: Hauled 120 bbls off reserve pit on 03-15-05.

Day  | 5  |
Date  | 03-16-05 |
Wednesday  

7:00 am – Drilling @ 2583’
Ran 21.00 hours drilling. Down 3.00 hours (.50 rig check, .75 displace @ 2820’, 1.25 connection, .50 jet)
Mud properties: wt. 9.2, vis. 68
Daily Mud Cost = $810.65. Mud Cost to Date = $3,926.39
Wt. on bit: 35,000, 80 RPM, 750# pump pressure
Hours on 12 ¼” bit: 10.00
Hours on 7 7/8” bit: 63.00

Fuel usage: 379.50 gals. (48” used 11”)

Day  | 6  |
Date  | 03-17-05 |
Thursday  

Survey @ 3348’ = misrun
DST #1 (3326’-3348’)
Kansas City “F” zone
Recovered 15’ mud

7:00 am – Drilling @ 3140’
Ran 9.00 hours drilling. Down 15.00 hours (.50 CFS @ 3333’, 1.25 CFS @ 3348’, 1.75 CTCH, 8.00 trip, .25 rig check, .50 connection, .25 jet, 2.50 DST #1)
Mud properties: wt. 9.1, vis. 52
Daily Mud Cost = $0.00. Mud Cost to Date = $3,926.39
Wt. on bit: 35,000, 70 RPM, 550# pump pressure
Hours on 12 ¼” bit: 10.00
Hours on 7 7/8” bit #1 = in @ 633’ out @ 3348’ = 71.50 hours
Hours on 7 7/8” bit #2 = in @ 3348’ : .50 hours

Fuel usage: 241.50 gals. (41” used 7”)

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MAR 22 2005
KCC WICHITA
Driving Directions: From Ike & Joes, 1 mile North, 1 mile West, ½ mile North, East into.

7:00 am – Drilling @ 3350’
Ran 12.25 hours drilling. Down 11.75 hours (.25 CFS @ 33.67’, 1.25 CFS @ 3464’, .50 rig check, 6.00 trips, 2.50 DST #2, .50 connection, .25 jet, .50 CTCH)
Mud properties: wt. 9.2, vis. 52
Daily Mud Cost = $304.99. Mud Cost to Date = $4,231.38
Wt. on bit: 35,000, 60 RPM, 550# pump pressure
Hours on 12 ¼” bit: 10.00
Hours on 7 7/8” bit #1 = in @ 633’ out @ 3348’ =: 71.50 hours
Hours on 7 7/8” bit #2 = in @ 3348’ = 12.75 hours

Fuel usage: 241.50 gals. (63’ used 7"-delivered 29’”+41”=70”)

Day  8  Date  03-19-05  Saturday  Survey @ 3700’ = 13/4degree

7:00 am – Drilling @ 3525’
Ran 9.75 hours drilling. Down 14.25 hours (2.50 CFS @ 3619’, 8.50 trip, .25 rig check, .25 rig repairs, 2.50 DST #3, .25 connection)
Mud properties: wt. 9.1, vis. 56, water loss 8.8
Daily Mud Cost = $674.41. Total Mud Cost = $4,905.79
Wt. on bit: 35,000, 60 RPM, 550# pump pressure
Hours on 12 ¾” bit: 10.00
Hours on 7 7/8” bit #1 = in @ 633’ out @ 3348’ =: 71.50 hours
Hours on 7 7/8” bit #2 = in @ 3348’ out @ 3700’ = 22.50 hours

Fuel usage: 172.50 gals. (58’’ used 5’’)

RECEIVED
MAR 22 2005
KCC WICHITA
### MORNING DRILLING REPORT

**Southwind Drilling, Inc.**
PO Box 276
112 North Main
Ellinwood, KS 67526

**Wellsite Geologist:**
Jeff Zoeller
620-786-0807 (Mobile)
620-653-3464 (Office)
620-653-7397 (Home)

**E-mail to:** bkarlin@media-net.net, Caddisreex@aol.com, shelbyjim@aol.com, jzooler@cox.net, jz@earthlink.net, rockhawk@jayhawk.net, rockhawk@abeglobal.net

<table>
<thead>
<tr>
<th>WELL NAME</th>
<th>Rose #1</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOCATION</td>
<td>100' N &amp; 50' E of C-SW</td>
</tr>
<tr>
<td></td>
<td>Sec. 35-21S-12W</td>
</tr>
<tr>
<td></td>
<td>Stafford County, Kansas</td>
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</tbody>
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<tr>
<td>620-794-2076</td>
<td>Tool Pusher Cellular</td>
<td>Yes</td>
</tr>
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</table>

**Driving Directions:** From Ike & Joes, 1 mile North, 1 mile West, 1/2 mile North, East into.

<table>
<thead>
<tr>
<th>Day</th>
<th>Date</th>
<th>Sunday</th>
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</thead>
<tbody>
<tr>
<td>9</td>
<td>03-20-05</td>
<td></td>
</tr>
</tbody>
</table>

RTD = 3700'
LTD = 3701'

7:00 am – Logging @ 3701'
Ran 0.00 hours drilling. Down 24.00 hours (5.50 log, 1.75 trip, 2.00 lay down collars, 3.25 plug well, 3.50 tear down, 8.00 rig down)

Fuel usage: 51.75 gals. (56 1/2" used 1 1/2")

Plug well with 205 sacks of 60/40 Poz, 6% gel. 1st plug @ 3580’ with 80 sacks. 2nd plug @ 640’ with 50 sacks. 3rd plug @ 320’ with 40 sacks. 4th plug @ 40’ with 10 sacks to surface. Plug rat hole with 15 sacks. and mouse hole with 10 sacks. Plug down @ 7:30 pm on 03-20-05 by Allied Cementing (tkt# 14404).

<table>
<thead>
<tr>
<th>Day</th>
<th>Date</th>
<th>Monday</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>03-21-05</td>
<td></td>
</tr>
</tbody>
</table>

7:00 am – Moving off location